This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS PRAGUE 001526

SIPDIS

SENSITIVE

STATE PLEASE PASS TO USTR

E.O. 12958: N/A

TAGS: <u>EAGR</u> <u>ETRD</u> <u>EZ</u> <u>WTRO</u>

SUBJECT: CZECH REPUBLIC REMAINS IN THE PROGRESSIVE CAMP ON WTO AGRICULTURE PROPOSAL

REF: A. SECSTATE 190730

¶B. PRAGUE 1496

- 11. (SBU) In culmination of a multi-day campaign to urge the Czech government and industry to push hard for a positive EU response to the U.S. agriculture proposal, the DCM met October 25 with Ladislava Votavova, Director of the Department of EU Multilateral Trade Policy at the Ministry of Trade, and asked for an assessment of a likely EU response on agriculture. Following the October 21 conference call with USTR Deputy Ambassador Allgeier, Ambassador Cabaniss had sent letters to the Ministers of Trade and Foreign Affairs to push for a strong Czech voice in putting together the forthcoming EU proposal on agriculture, to put it in "the negotiating zone." Econoffs also contacted the board members of the Czech Association of Industry and the American Chamber of Commerce to pass on a similar message.
- 12. (SBU) Votavova spoke frankly, noting that the mood at the October 22 Luxembourg GAERC was "tense and difficult." French officials were working hard to discredit the U.S. offer and to prevent positive movement on a substantive counter-response. She added that the French-led attempt to rein in Mandelson and tie his hands on negotiation on behalf of the EU struck a nerve with many of the "progressive" EU member states. As a result, she said, there is discussion among twenty countries in the progressive camp within the EU to call for another GAERC emergency session to empower Mandelson in preparation for the Hong Kong Ministerial and to show that a united front of a strong majority of countries in the EU support positive, balanced movement in the Doha round. The Czech government is deeply concerned about the prospects of "saving" the Doha round in the short period of time remaining before the Hong Kong Ministerial Conference, but noted that the Czechs will continue to push for positive movement on a trade agreement. The Czech government does not want to see the Doha round founder on the agriculture issue, but also believes that the negotiation must involve positive movement on NAMA and Services to satisfy Czech interests. CABANISS